

## **2001 Annual Report Executive Summary**

### **Beadle-Spink Enterprise Community (BASEC)**

BASEC has completed the seventh year of this ten-year initiative. However, BASEC plans to continue to operate far longer than the initiative. Self-sustainability was one of the key principles in the Round I EZ/EC program. BASEC residents continue to take that concept seriously in program development and in the overall strategic plan as evidenced by direction received from BASEC's Continuous Improvement Council participants in April 2001. Access to affordable capital for four main sectors of the community continues to be the cornerstone of BASEC's strategic plan. This is being accomplished with the revolving loan fund (RLF) program that encompasses the areas of business, rural development, farm income development and housing development. BASEC has made low interest affordable loans totaling \$2.7 million of the \$2.95 million initial SSBG EZ/EC funding for the RLF. As of 12/31/01, \$1.2 million of the revolved SSBG EZ/EC funds have been reloaned. Additionally, BASEC has leveraged over \$2.5 million from other sources and have loaned those funds for the various RLF programs. Specifically for the year 2001, \$452,335 was loaned out, just a little less than the amount dispersed in 2000. 207 loans totaling \$6.2 million have been made since 1996 with interest rates ranging from 1% to 6% to BASEC residents and projects located within the BASEC boundaries. The interest received on the loans is used to pay for administrative costs. The principle replenishes the RLF. Thus, BASEC is a self-sustaining organization that is viewed as a valuable resource in community development. Over \$18 million have been leveraged from other sources for project that BASEC was directly involved in since this EC designation. Now that BASEC is self-sustainable through the RLF programs, more efforts are being directed toward other community needs.

Building leadership capacity at all age levels is one area that BASEC continues to focus on. BASEC received funds from the Annenburg Rural Challenge Program through South Dakota State University and the Christen Hohm Luck Foundation for leadership development. \$31,000.00 in pass through mini-grants has been awarded for over 100 community projects since 1999. Town beautification, cemetery maintenance and repairs, park improvements, community computer classes, fire safety education and heritage projects such as making a video documentary depicting life in a rural community are among the many projects. Additionally, BASEC sponsors youth leadership projects such as the Fifth Grade Business Fair and Student Extravaganza events that highlight how school curriculum can be community focused.

There is not a dollar amount that can measure the value and the merit of the efforts in this leadership capacity building. BASEC is reaching far more people with the leadership efforts than if BASEC were content with only the RLF program. Every resident of the EC has benefited from the EZ/EC initiative. \$423,065 in Housing Preservation Grant (HPG) funds has been passed on to very low and low-income residents for home repair and removal of health and safety hazards. The average grant passed on was \$6,000 per home. In 2001, 9 homes were repaired and updated to remove health and safety issues with HPG grant funds. Since August 1997, BASEC's HPG program assisted 63 very low and low-income family homes with grant funds. Additionally, BASEC has complimented the HPG grants and made \$86,887 in home repair loans. BASEC has several other housing loan programs that financed the construction of 12 new homes and provided for the purchase of 15 existing homes with the initial SSBG Enterprise Grant money.

Currently BASEC employs three full time employees; the executive director, housing director and fiscal manager. BASEC's Strategic Plan was reviewed and updated in 2001 according to the desires and direction given to the BASEC Board of Directors and staff by the EC residents. Executive Director Lori Hintz, Housing Director Andrea Torgerson and four board members attended the National USDA Rural

Development Training Conference in St. Louis, Missouri this summer. Additionally, Director Hintz attended a national venture capital training workshop in New York City in March 2001. The EZ/EC Consortium assisted with the registration and traveling costs associated with attending the venture capital training. BASEC staff also participates in local and state training and education workshops such as the South Dakota Governors Office of Economic Development Conference and the South Dakota Housing Authority Conference. Director Hintz received a Certificate of Appreciation from the South Dakota USDA/Rural Development for her contributions to USDA Rural Development training programs and support for national office meetings and conferences. Hintz also assisted Desk Officer Jim Jacobs, from the National Office of Community Development (OCD), Washington DC with a presentation to existing and potential EZ communities for third round funding. Desk Officer, Jim Jacobs from the National Office of Community Development visited the BASEC area in May of 2001. Mr. Jacobs met with various community members and toured some of the projects BASEC has been involved in.